83-1211

Office - Supreme Court, U.S.

FILED

JAN 23 1984

ALEXANDER L STEVAS.

No.

In the Supreme Court of the United States

October Term, 1983

TEAMSTERS LOCAL UNION No. 36, BUILDING MATERIAL AND DUMP TRUCK DRIVERS, Petitioner,

VS

LEE O. EDWARDS, JR., Respondent.

Petition For Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

RICHARD D. PROCHAZKA A PROFESSIONAL CORPORATION Attorney at Law 2918 Fifth Avenue, Suite 302 San Diego, California 92103 (619) 296-7677 By Richard D. Prochazka Counsel for Petitioner Local 36

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

Questions Presented for Review.

- (1) WHETHER THE NINTH CIRCUIT ERRED IN REFUSING TO APPLY MITCHEL TO PETITIONER UNION.
- (2) WHETHER THE NINTH CIRCUIT ERRED IN REFUSING TO APPLY THE 10(b) PERIOD AS THE LIMITATIONS PERIOD TO CASES PENDING PRIOR TO THIS COURT'S DECISION IN DELCOSTELLO.

Parties To The Proceeding.

The following are parties to this proceeding:

- (1) Lee O. Edwards, Jr.
- (2) Teamsters Local Union No. 36, Building Material & Dump Truck Drivers
- (3) Asphalt, Inc.

TABLE OF CONTENTS

	age
Questions Presented for Review	
Parties to the Proceeding	i
Table of Contents i	i
Table of Authorities	vi
Petition for Writ of Certiorari to the	
United States Court of Appeals for	
the Ninth Circuit	2
Opinions Below	2
Jurisdiction	3
Statutory Provisions Involved	3
Statement of the Case	4
A. Preliminary Statement	4
B. Statement of the Facts	4
C. Proceedings and Disposition	
Below	5
Argument 10)
I.	
The Ninth Circuit's Refusal to Apply	
Mitchell to the Union is Contrary	
to Decisions by this Court 10)

P	age
II.	
There Now Exists an Express Conflict	
Among the Circuits as Whether Mit-	
chell Should be Applied to	
Unions	14
III.	
The Ninth Circuit's Refusal to	
Retroactively Apply DelCostello is	
Contrary to Decisions by This	
Court	16
IV.	
There Now Exists an Express Conflict	
Among the Circuits as to Whether	
DelCostello Should be Applied	
Retroactively	20
y.	
Conclusion	24

INDEX TO APPENDICES

	Page
Appendix i. Opinion of the Ninth	
Circuit App. p.	. 1
Appendix ii. Opinion of the District	
Court	20
Appendix iii. Labor Management Re-	
lations Act, 29 USC §185	31
Appendix iv. California Civil	
Procedure Code \$1288	34
Appendix v. Stipulation re Dismissal	
of Case as to Defendant Asphalt,	
Inc. and Order Thereon	35
Appendix vi. California Civil	
Procedure Code §338(1)	37
Appendix vii. Union's June 27, 1983	
Letter to the Ninth Circuit Re-	
questing Consideration of Del-	
Costello Decision	38

		Page
Appendix viii.	Cases Within	the Ninth
Circuit Af	fected by the	Edwards
Decision .		42

TABLE OF AUTHORITIES

Cases	Fage
Assad v. Mount Sinai Hospital, 703 F2d 36(2nd Cir. 1983)	19
Badon v. General Motors Corp., 679 F2d 93(6th Cir. 1982)	15
Chevron Oil Company v. Huson, 404 US 97 (1971)	0, 21
Corning Glass Works v. Brennan, 417 US 188, 191 (1974)	15
Curtis v. Teamsters Local 299, 716 F2d 360(6th Cir. 1983)	21
D'Andrea v. American Postal Workers, 700 F2d 335(6th Cir. 1983)	
DelCostello v. Teamsters, _US 103 S.Ct. 2281(1983).8,9, 	18, 19
District 1199, National Union of Hospital & Healthcare Employees v. Assad,US(1983) 104 S.Ct. 54	13
Edwards v. Sea-Land Service, Inc. 678 F2d 1276 (5th Cir. 1982) 1	8, 21
Ernest v. Indiana Bell Telephone Co. 717 F2d 1036(7th Cir. 1983)	21

TABLE OF AUTHORITIES Continued
Page
Hand v. International Chemical
Workers Union,
712 F2d 1350 (11th Cir. 1983),
114 LRRM 2254 22
International Brotherhood of Teamsters,
Chauffeurs, Warehousemen and
Helpers Local 988 v. Edwards,
US (1983) 103 S.Ct. 3104 17, 18
Lawson v. Truck Drivers, Chauffeurs
and Helpers, etc.
698 F2d 250 (6th Cir. 1983) 15
Leach v. U.S. Postal Service,
US (Oct. 3, 1983), 104
S.Ct. 69
5.00. 09
McNaughton v. Dillingham Corp.,
707 F2d 1042(9th Cir. 1983) 14
707 F2d 1042 (9th CII. 1963) 14
Metz v. Tootsie Roll Industries,
715 F2d 299(7th Cir. 1983) 21
/13 F2d 299(/th C11. 1903) 21
Perez v. Dana Corp.,
718 F2d 581 (3rd Cir. 1983) 20
710 F24 301(314 CII. 1303) 20
Price v. Southern Pacific Trans-
portation Company,
586 F2d 750(9th Cir. 1978)
300 F24 /30(3CH CII. 13/0)
Rogers v. Lockheed-Georgia Co.,
F2d (11th Cir. Dec. 5, 1983),
114 LRRM 3660
114 LRM 5000
Singer v. Flying Tiger Line, Inc.,
652 F2d 1349(9th Cir. 1981) 16
032 124 1349(3011 011. 1301) 10
Storck v. Teamsters Local 600,
712 F2d 1194 (7th Cir.1983) 21
/12 F20 1194 (/th C11.1903) 21

TABLE OF AUTHORITIES -- Continued

						P	age
	hell,						
451 (US 56 (198	31)		12	2,		10,
		STATUT	ES	16			
28 U.S.C.	\$1254(1)	(1976).					3
28 U.S.C.	\$1291			• • • •			4
Labor-Mana	agement Re	lation	s Act				
29 U.S.C.	\$160			8,1	1,1	3.	10
29 U.S.C.	§185 (19)	OTHER				3,	5
California							
\$338	(1) (West's	1982)				8,	10
\$1288	B (West's 1	982) .				6.	10

No. -

In the

SUPREME COURT OF THE UNITED STATES

October Term, 1983

Teamsters Local Union No. 36, Building Material and Dump Truck Drivers,

Petitioner,

vs.

Lee O. Edwards, Jr.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

Petitioner Building Material and Dump
Truck Drivers, Teamsters Local Union No. 36
of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of
America, hereafter "Union", prays that
certiorari issue to review the judgment of
the United States Court of Appeals for the
Ninth Circuit in the above-entitled case.

OPINIONS BELOW

The opinion of the Ninth Circuit Court of Appeals is, to date, not officially reported. The opinion is unofficially reported at 114 LRRM 3227.

The memorandum decision of the United States District Southern District of Calif-

The opinion of the Ninth Circuit is set forth in full in Appendix i.

ornia is neither officially nor unofficially reported.²

JURISDICTION

On November 3, 1983, the Ninth Circuit Court of Appeals entered its judgment.

The jurisdiction of this Court is invoked pursuant to 28 USC §1254(1) (1976).

STATUTORY PROVISIONS INVOLVED

29 USC §185(1976) of the Labor Management Relations Act, hereafter "Act", states in pertinent part³:

"(a) Suits for violation of contracts between an employer and a labor organization representing employees in an industry affecting commerce as defined in this chapter, or between any such labor organizations, may be brought in any district court of the United States having jurisdiction of the parties, without respect to the amount in controversy or without regard to the citizenship of the parties."

²The opinion of the District Court is set forth in full in Appendix ii.

³The statute is set out in full in Appendix iii.

STATEMENT OF THE CASE
A. Preliminary Statement.

This case came to the Ninth Circuit on Plaintiffs/Appellants' appeal of the memorandum decision of the U.S. District Court for the Southern District of California.

The basis for jurisdiction in the Ninth Circuit was 28 USC \$1291(1982).

B. Statement of the Facts.

Edwards is a member of a bargaining unit which is covered by a collective bargaining agreement between Local 36 and Asphalt, Inc. Said collective bargaining agreement provides for, among other things, a grievance/arbitration procedure.

On or about December 24, 1980, Asphalt terminated Edwards who thereafter filed a grievance with the Union.

On February 9, 1981, pursuant to said collective bargaining agreement, a Joint Conference Board considered Edwards' grievance and in a final decision rejected it

as untimely.

Edwards, cognizant of additional grounds for challenging his termination, filed another grievance in March 1981 with the Union. This second grievance was also rejected by the Joint Conference Board in a final arbitration award in March 1981. The rejection was based on the same reasons as the adverse determination of February 9.

Edwards was in attendance at each of the Joint Board hearings and was made immediately aware of the adverse awards.

On December 15, 1981, Edwards filed a complaint in the United States District Court for the Southern District of California. Edwards' complaint was a "hybrid" Section 301 suit. That is, Edwards alleged that the employer breached the collective bargaining agreement while the Union breached its duty of fair representation. The Court's jurisdiction was based on 29 USC \$185(1976).

Additionally, the complaint contained pendant claims based on state law against both Asphalt and the Union.

C. Proceedings and Disposition Below.

The Union subsequently moved to dismiss Edwards' complaint. The Union, relying on United Parcel Service, Inc. v. Mitchell, 451 US 56(1981), contended that the applicable statute of limitations was California's 100 day limitation period for suits to vacate an arbitration award, California Civil Procedure Code Section 1288(West's 1982)⁴, and that, therefore, Edwards' complaint was barred as untimely.

The U.S. District Court agreed with the Union's contentions and therefore dismissed Edwards' complaint in its entirety. 5 Sub-

⁴California Civil Procedure Code §1288 is set forth in full in Appendix iv.

By stipulation, the complaint against the Employer, Asphalt Inc., was dismissed with prejudice. The stipulation is set forth in full in Appendix v.

sequently, Edwards timely appealed to the Ninth Circuit.

Edwards appealed the judgment as to only the Union.

The Ninth Circuit held that the Mitchell decision was applicable to only an employer. Relying on a previous Ninth Circuit decision, Price v. Southern Pacific Transportation Company, 586 F2d 750(9th Cir.1978), the Court held that as to the union the applicable statute of limitations in reference to an alleged breach of the duty of fair representation was California Civil Procedure Code \$338(1)(West's 1982)⁶, a three year statute.

After reviewing the factors set forth in Chevron Oil Company v. Huson, 404 US 97 (1971), the Ninth Circuit further held that the decision in DelCostello v. Teamsters,

_US_103 S.Ct. 2281(1983) would not be retroactively applied to the present case.

⁶California Civil Procedure Code §338(1) is set forth in pertinent part in Appendix vi.

⁷ In footnote 2 of its Decision, the 9th Circuit states that "the Union does not argue here that \$10(b) should be applied to

The District Court's dismissal of Edwards' suit against the Union was therefore reversed and remanded.

The Union now seeks review of the Ninth Circuit's decision and judgment in its entirety.

00

bar Edwards' action ... " 114 LRRM 3227, 3229. While it is true that oral and written argument was completed prior to this Court's decision in DelCostello, the Union, by letter dated June 27, 1983 requested that the Ninth Circuit consider the then recently announced DelCostello decision in reference to the case before it. [FRAP Rule 28(j)] Said letter is set forth in full in Appendix vii.

ARGUMENT

This writ should be allowed for the following reasons:

I

THE NINTH CIRCUIT'S REFUSAL

TO APPLY MITCHELL TO THE UNION

IS CONTRARY TO DECISIONS BY

THIS COURT

In cases where Mitchell is deemed applicable to employers, the Ninth Circuit has adopted a staggered statute of limitations scheme in reference to a hybrid Section 301/ fair representation claim. In such a hybrid suit, the Ninth Circuit would have California Civil Procedure Code §1228, a one hundred day limitation period, applied to the employer while California Civil Procedure Code §338 (1), a three year limitation period would apply to the union. According to the Ninth Circuit, "the choice of a three year statute does not violate federal labor policy, for two reasons. First, ... the possibility of

employee suits against a union does not threaten the quick resolution of labor disputes by means of grievance proceedings.

Second, a three year period is in no sense inherently too long." Edwards v. Teamsters

Local 36, F2d (9th Cir.1983); 111 LRRM

3227, 3229. The Ninth Circuit's contentions are directly at odds with this Court's decision in DelCostello, supra.

Costello v. Teamsters, US 103 S.Ct. 2281 (1983) makes it clear that as a matter of national labor policy the same statute of limitations should be applied to both claims against an employer and a union. Prior to DelCostello, the question as to what statute should govern the fair representation claim against the Union was not definitively answered. Id, 2285. After DelCostello, that question was closed. A six month period under \$10(b) of the Act was to be applied to claims against both employers and unions.

According to DelCostello, the two claims involved in a hybrid \$301/fair representation suit are "inextricably interdependent". Id at 2290, quoting from Mitchell, 451 US at 66. Given the interdependency of the claims, the application of the same limitation period to both employer and union furthers the policy of a rapid resolution of labor disputes for such a claim constitutes "a direct challenge to the private settlement of disputes under [the collective bargaining agreement]". Id at 2291, quoting Mitchell, 451 US at 66.

Wards, an employee whose claim arose before 1983 must now bring his 301 action against the employer within 100 days after the claim arose. As to the fair representation claim against the Union, however, the employee is given three years from the time at which the claim arose to file suit. The Ninth Circuit's contention that such a staggered scheme "does not threaten a quick resolution of labor

disputes by means of proceedings" is clearly contrary to the Court's reasoning in $\underline{\text{Del}}$ -Costello.

Second, the Ninth Circuit's belief that a three year statute of limitations period as to the Union is "in no sense inherently too long" is also clearly at odds with Del-Costello.

In <u>DelCostello</u>, the Court reviewed various statute of limitations alternatives but eventually rejected all in favor of the six month period pursuant to 10(b) of the Act. Thus, the Court discussed the suggestion that the State limitations period for legal malpractice be applied in hybrid \$301/fair representation claims. The Court rejected this suggestion for, among other things, legal malpractice statutes involve time periods which the Court believed were far too long.

The Court specifically noted that had such a legal malpractice limitations period

been used, the respondents Flowers and Jones would have had three years in which to file suit. The Court rejected such a three year statute of limitations as too lengthly for with such a time period the grievance/arbitration system could easily become unworkable. Id at 2292-2293.

The Ninth Circuit's decision to adopt a three year statute of limitations period as to the Union is blatantly contrary to the belief of this Court that such a time period is inimical to the grievance/arbitration process.

II

THERE NOW EXISTS AN EXPRESS

CONFLICT AMONG THE CIRCUITS

AS WHETHER MITCHELL SHOULD

BE APPLIED TO UNIONS.

The Ninth Circuit in both the above-captioned case and McNaughton v. Dillingham Corp., 707 F2d 1042(9th Cir. 1983) has held that Mitchell is not applicable to unions.

The Sixth Circuit, in Lawson v. Truck

Drivers, Chauffeurs and Helpers, etc., 698

F2d 250 (6th Cir. 1983), cert denied, sub

nom. Leach v. U.S. Postal Service, US

(Oct. 3, 1983), 104 S.Ct. 69 8,

held that that Circuit's policy was to interpret Mitchell as requiring that the same statute of limitations concerning a vacation of an arbitration award be applied to both the employer and the union in a hybrid Section 301/fair representation claim. See also:

Badon v. General Motors Corp., 679 F2d 93

(6th Cir, 1982); D'Andrea v. American Postal

Workers, 700 F2d 335 (6th Cir, 1983).

In conclusion, because of this "unusually direct conflict between two circuits," the Union respectfully requests that certiorari issue. Corning Glass Works v. Brennan, 417

1983.

⁸ In his Petition for Certiorari, the issues presented by Petitioner Leach were, among other things, whether the 6th Circuit erred in applying Mitchell to the union.

LRX Supreme Court Docket-104, Oct. 24,

US 188, 191 (1974).9

III

THE NINTH CIRCUIT'S REFUSAL TO

RETROACTIVELY APPLY DELCOSTELLO

IS CONTRARY TO DECISIONS BY

THIS COURT

While Edwards received his final adverse arbitration award in March 1981, he did not file suit until December 1981. The Ninth Circuit, however, has refused to apply Del-Costello retroactively to Edwards.

In <u>DelCostello</u> petitioner, DelCostello, received his adverse award in August 1977 but did not file suit until March 1978. Respondents Flowers and Jones received their adverse award in February 1978 but did not file suit until January 1979. <u>DelCostello</u>, supra,

The 9th Circuit's Edwards decision conflicts not only with decisions of the 6th Circuit but is also contrary to prior 9th Circuit caselaw. In Singer v. Flying Tiger Line, Inc., 652 F2d 1349(1981), the 9th Circuit held that it would prospectively apply Mitchell to both the employer and the union. Id. at 1353.

2285, 2286.

This Honorable Court had no problem in applying its newly announced six months limitation period to respondents Flowers and Jones and thereby finding that their suit, filed more than ten months after their cause of action accrued, was untimely. As to petitioner DelCostello, his case was reversed and remanded for further proceedings consistent with the Court's opinion due to the fact that the District Court failed to consider DelCostello's tolling claim.

In International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers
Local 988 v. Edwards, US (1983), 103 S.Ct.
3104, this Court granted certiorari, vacated the Fifth Circuit's judgment, and ordered that Circuit to apply DelCostello to an employee who received an adverse arbitration award in April of 1980 but failed to file suit until April of 1981.

In Edwards, the District Court dismissed Plaintiff's §301 suit as time barred as to both the employer and the union under the 90 day limitations period of the Texas General Arbitration Act.

The Fifth Circuit reversed the District Court and held that the appropriate statute of limitations as to the employer was Texas' four year "catch all" statute while the claim against the union was governed by Texas' 2 year statute of limitation applicable to tort actions. Edwards v. Sea-Land Service, Inc., 678 F2d 1276 (5th Cir. 1982).

In District 1199, National Union of Hospital and Healthcare Employees v. Assad,

_US__(1983), 104 S.Ct. 54, this Court granted certiorari, vacated the judgment of the Second Circuit and further ordered that Circuit to apply DelCostello where the employees' hybrid claim arose in October 1980 but a complaint was not filed until June 1981.

The District Court had held that plaintiff's entire suit was untimely under New York's 90 day arbitration statute.

The Second Circuit had held that, as plaintiff's grievance had never been arbitrated, the 6 month limitations under \$10(b) of the Act governed plaintiff's claim against the employer. The Second Circuit simultaneously held that the plaintiff's fair representation claim against the union was governed by New York's three year malpractice statute. In sum, the District Court's holding that plaintiff's entire suit was untimely was reversed and remanded as to the union by the Circuit. Assad v. Mount Sinai Hospital, 703 F2d 36(2nd Cir. 1983).

In sum, the Ninth Circuit's refusal to apply <u>DelCostello</u> in the above-captioned case is clearly out of step with this Court's continuing willingness to apply <u>DelCostello</u> in similar situations.

IV

THERE NOW EXISTS AN EXPRESS

CONFLICT AMONG THE CIRCUITS

AS TO WHETHER DELCOSTELLO

SHOULD BE APPLIED RETROACTIVELY

After reviewing the factors set forth in <u>Chevron Oil</u>, supra, the Ninth Circuit refused to apply <u>DelCostello</u> retroactively. The 9th Circuit's action is clearly contrary to the position of other Circuits.

The Third Circuit, after explicitly reviewing the factors in Chevron Oil, supra, held that DelCostello should be applied retroactively to an employee whose claim arose in or about October 1979 but who did not file suit until September 1981. Perez v. Dana Corp., 718 F2d 581(3rd Cir. 1983).

The Fifth Circuit, upon remand from this Court, held as untimely a hybrid \$301 claim filed one year after an adverse arbitration award. The 5th Circuit applied DelCostello retroactively after a specific analysis of

the factors set forth in <u>Chevron Oil</u>, supra.

<u>Edwards v. Sea-Land Service</u>, Inc., <u>F2d</u>

(5th Cir. Dec. 5, 1983); 114 LRRM 3663.

Other Circuit decisions have implicitly applied DelCostello retroactively.

The Sixth Circuit applied <u>DelCostello</u> where the final adverse arbitration award was issued August 1979 while the complaint was filed April 1981. <u>Curtis v. Teamsters</u> Local 299, 716 F2d 360 (6th Cir.1983).

The Seventh Circuit, in Metz v. Tootsie

Roll Industries, 715 F2d 299 (7th Cir.1983)

applied DelCostello where the claim arose in

May 1981 but the suit was not filed until

June 1982.

DelCostello and held untimely an action filed in April 1982, eleven months after the issuance of the adverse arbitration award in May 1981. Ernest v. Indiana Bell Telephone Company, 717 F2d 1036 (7th Cir.1983). See also: Storck v. Teamsters Local 600,

712 F2d 1194 (7th Cir. 1983).

The Eleventh Circuit applied <u>DelCostello</u> retroactively finding that an employee's suit which had been filed four months after the claim arose and which had previously been dismissed by the District Court as untimely to both the employer and the union under Florida's 90 day statute of limitations for the vacation of an arbitration award was, in fact, timely under <u>DelCostello's</u> six month time period. <u>Hand v. International Chemical Workers Union</u>, 712 F2d 1350(11th Cir. 1983),

In Rogers v. Lockheed-Georgia Co.,

F2d__(llth Cir. Dec. 5, 1983), 114 LRRM 3660,
the llth Circuit, after noting that "the
Supreme Court in DelCostello applied its
decision retroactively to the parties before
the Court" so as to promote the rapid resolution of labor disputes, concluded that to
"deny retroactive application of DelCostello

would retard rather than further the federal interests in prompt resolution of labor disputes, finality, and consistency embodied in <u>DelCostello</u>". Id at 3662.

In conclusion, the Ninth Circuit's refusal to retroactively apply <u>DelCostello</u> in the above-captioned matter is clearly contrary to the position taken by other Circuits.

V

CONCLUSION

The Ninth Circuit's decision in the above-captioned matter has had a serious impact on similar cases within the Circuit. 10

The Ninth Circuit's decision in this case is contrary to the decisions of other circuits and to decisions of this Honorable Court. For the foregoing reasons, the Union respectfully requests that certiorari issue to review the decision below.

Respectfully submitted,

RICHARD D. PROCHAZKA

Attorney for Building Material and Dump Truck Drivers, Teamsters Local Union No. 36 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America.

Appendix viii is a listing of cases within the Ninth Circuit affected by the Edwards decision.

APPENDICES

APPENDIX i

Opinion

United States Court of Appeals
For the Ninth Circuit

Lee O. Edwards, Jr.,

Plaintiff-Appellant,

vs.

Teamsters Local Union No. 36, Building Material and Dump Truck Drivers,

Defendants-Appellees.

No. 82-5326

USDC No. CV 81-1278-WBE

Appeal from the United States

District Court for the Southern

District of California

Hon. William B. Enright, District

Judge, Presiding

Argued and Submitted: November 5, 1982

Before: FLETCHER, NELSON, Circuit

Judges, and EAST,* District

Judge.

NELSON, Circuit Judge:

Edwards appeals from the dismissal of his suit against his union for breach of its duty of fair representation in grievance proceedings following his dismissal from employment. Edwards filed this action nearly a year after he was discharged, and more than ten months after his grievance against his employer was unfavorably resolved. The court below dismissed Edwards' claims against the employer and the union as untimely filed on the authority of <u>United Parcel Service</u> v. Mitchell, 451 U.S. 56, 101 S. Ct.

^{*}Honorable William G. East, Senior United States District Judge for the District of Oregon, sitting by designation.

1559, 67 L. Ed. 2d 732 (1981). Edwards appeals only the judgment for the union. We reverse that judgment and remand the case for further proceedings.

FACTUAL AND PROCEDURAL BACKGROUND

This suit arises from the discharge of appellant Edwards by appellee Asphalt, Inc. (Asphalt). After seven years of continuous employment, Edwards was absent from work for health reasons for more than six months in 1980. When he attempted to return to work on December 24, he was dismissed. Edwards was a member of Teamsters Local Union No. 36, Building Material and Dump Truck Drivers (Union), which had a collective bargaining agreement (Agreement) in force with Asphalt.

After his termination, Edwards filed a grievance with the Union alleging he was fired in violation of the Agreement.

Because of the Union's conduct, Edwards has been unable to obtain a hearing on the merits of his grievance. The Union twice took this grievance before the Joint Conference Board, a three member arbitral body set up under the Agreement. The claim was dismissed at the first hearing because the Union had failed to refer the matter to the Joint Conference Board within fifteen days as required by the Agreement. By advancing additional grounds for the illegality of his termination, Edwards convinced the Union to refer his gricvance to the Board a second time. This claim was denied on the grounds that the Union had not originally communicated his grievance to the employer within ten days after it arose, again as required by the Agreement. It appears that there is nothing further Edwards could have done to press his claim.

Edwards filed this action on

December 15, 1981. He charges that Asphalt violated the Agreement by dismissing him because of his health or because of protected union activities, giving rise to an action under Section 301 of the Labor Management Relations Act. 29 U.S.C. § 185 (1976). Edwards further charges the Union with breaching its duty of fair representation in grievance proceedings, giving Edwards a cause of action under Vaca v. Sipes, 386 U.S. 171, 87 S. Ct. 903, 17 L. Ed. 842 (1967). There are additional pendent claims based on state law against both defendants.

The Union filed a motion to dismiss Edwards' suit on the grounds that his federal law claims were filed too late.

The district court relied on United Parcel Service, Inc. v. Mitchell, 451 U.S. 56, 101 S. Ct. 1559, 67 L. Ed. 2d 732 (1981), in holding that the federal law claims were subject to California's 100-day

arbitration period for suits to vacate an arbitration award. Cal. Civ. Proc. Code \$1288 (West 1982). These claims were therefore dismissed. The court exercised its discretion to dismiss the state law claims as well, and so dismissed the entire suit.

ISSUES

- I. Whether the district court applied the correct California statute of limitations to Edwards' claims against the Union.
- II. Whether the Supreme Court's recent decision in <u>Del Costello v.</u>

 <u>Teamsters</u>, <u>U.S.</u>, 103 S. Ct. 2281, 76 L. Ed. 2d 476 (1983), should be applied retroactively.

DISCUSSION

I.

Statute of Limitations

A discharged employee must exhaust

the grievance procedures provided by the collective bargaining agreement before seeking direct legal redress. Republic Steel Corp. v. Maddox, 379 U.S. 650, 85 S. Ct. 614, 13 L. Ed. 2d 580 (1965). "[I]f the contractual processes have been seriously flawed by the union's breach of its duty to represent employees honestly and in good faith and without invidious discrimination or arbitrary conduct," the employee has a cause of action against both the union and the employer. Hines v. Anchor Motor Freight, Inc., 424 U.S. 554, 570, 96 S. Ct. 1048, 47 L. Ed. 2d 231, 245 (1976). A discharged employee can sue an employer under section 301 of the Labor Management Relations Act for terminating

him in violation of the collective bargaining agreement. 29 U.S.C. § 185 (1976). A union is subject to suit for breach of the duty of fair representation implied from the National Labor Relations Act.

Vaca v. Sipes, 386 U.S. 171, 176-78, 87
S. Ct. 903, 909-10, 17 L. Ed. 2d 842, 849-50 (1967).

Section 301 of the LMRA, which establishes jurisdiction for both kinds of actions, does not provide a statute of limitations. The Supreme Court has established that in general, "the timeliness of a § 301 suit . . . is to be determined, as a matter of federal law, by reference to the appropriate state statute of limitations."

UAW v. Hoosier Cardinal Corp.,
383 U.S. 696, 704-05, 86 S. Ct. 1107,
1113, 16 L. Ed. 2d 192, 199 (1966). 1 In
United Parcel Service, Inc. v. Mitchell,
451 U.S. 56, 63-64, 101 S. Ct. 1559, 1564-65, 67 L. Ed. 2d 732, 740-41 (1981), the

Supreme Court held that in a section 301 suit brought against an employer, the proper limitations period is the one a state would apply to an action to vacate an arbitration award. 2/ The court below held that Mitchell required it to apply the statute of limitations for an action to vacate an arbitration agreement to Edwards' claims against the Union as well as those against Asphalt. 3/ The search for the appropriate statute of limitations is a decision of law. See Butler v. Local 823, International Brotherhood of Teamsters, 514 F.2d 442, 446 (8th Cir.), cert. denied, 423 U.S. 924, 96 S. Ct. 265, 46 L. Ed. 249 (1975). We review decisions of law de novo. Miller v. United States, 587 F.2d 991, 994 (9th Cir. 1978).

Edwards argues that <u>Mitchell</u> does not require the same statute of limitations in a duty of fair representation claim as in a pure section 301 claim based on a breach

of the collective bargaining agreement. This circuit has recently adopted that proposition. McNaughton v. Dillingham Corp., 707 F.2d 1042 (9th Cir. 1983), states:

Mitchell did not resolve the question against a union of how an action for unfair representation should be characterized. Justice Stevens, who concurred in part and dissented in part, believed that the claim against the union for unfair representation may not be "characterized as an action to vacate an arbitration award. . . " 451 U.S. at 73, 101 S. Ct. at 1569, 67 L. Ed. 2d at 746-47. We agree with his analysis.

Id. at 1047-48 (footnote omitted). We must therefore find another state statute of limitations for an employee's suit against his union.

Before the decision in <u>United Parcel</u>

Service v. <u>Mitchell</u>, a case in this circuit held that because the duty of fair representation is an obligation fashioned by the courts from the National Labor Relations

Act, a suit against a union for the breach of that duty is best characterized as an "action upon a liability created by statute." Price v. Southern Pacific Transportation Co., 586 F.2d 750, 753 (9th Cir. 1978); accord Kaylor v. Crown Zellerbach, Inc., 643 F.2d 1362, 1369 (9th Cir. 1981). Price therefore applied the three-year statute of limitations of Cal. Civ. Proc. Code § 338(1) (West 1982) to such actions.

Service to call Price's analysis into question. Price properly looked to the nature of the claim in choosing an appropriate state statute of limitations. Moreover, the choice of a three-year statute does not violate federal labor policy, for two reasons. First, as discussed above, the possibility of employee suits against a union does not threaten the quick resolution of labor disputes by

means of grievance proceedings. Second, a three-year period is in no sense inherently too long. UAW v. Hoosier

Cardinal Corp., 383 U.S. 696, 86 S. Ct.

1107, 16 L. Ed. 2d 192 (1966), the decision that established that "rapid disposition of labor disputes is a goal of federal labor law" for purposes of choosing a state statute of limitations for a section 301 action, itself applied a six-year statute of limitations. 383 U.S. at 707, 86 S. Ct. at 1114, 16 L. Ed. 2d at 200.

Accordingly, we reaffirm Price's holding that the California statute of limitations applicable to a suit against a union for the breach of the duty of fair representation is the three year statute for actions "upon a liability created by statute," provided by Cal. Civ. Proc. Code § 338(1). Edwards filed his suit within thirteen months of his termination and the events that followed. His claims

against the Union were therefore timely, and their dismissal was incorrect.

II.

Impact of the Del Costello Decision

Since this appeal was argued, the Supreme Court has held that the six-month period for bringing an unfair labor practice claim before the NLRB applies both to suits brought against an employer for breach of the collective bargaining agreement and to suits brought against a union for breach of the duty of fair representation. Del Costello v. Teamsters, U.S. , 103 S. Ct. 2281, 76 L. Ed. 2d 476 (1983). See National Labor Relations Act § 10(b), 29 U.S.C. §160(b)(1976) (sixmonth period). We do not, however, apply the rule to this case. Retroactive application of a shorter statute of limitations than that pertaining when the case was filed is inherently unfair. In Chevron Oil Co. v. Huson, 404 U.S. 97, 92 S.Ct.

349, 30 L. Ed 2d 296 (1971), the Supreme Court, in declining retroactive application of a statute of limitations, set forth three factors to consider:

First, the decision to be applied nonretroactively must establish a new principle of law, either by overruling clear past precedent on which litigants may have relied or by deciding an issue of first impression whose resolution was not clearly foreshadowed . . . Second, it has been stressed that "we must . . . weigh the merits and demerits in each case by looking to the prior history of the rule in question, its purpose and effect, and whether retrospective operation will further or retard its operation." . . . Finally, we have weighed the inequity imposed by retroactive application, for "[w]here a decision of this Court could produce substantial inequitable results if applied retroactively, there is ample basis in our cases for avoiding the 'injustice or hardship' by a holding of nonretroactivity."

404 U.S. at 106-07, 92 S. Ct. at 355, 30 L. Ed. 2d at 306 (citations omitted) (quoting Linkletter v. Walker, 381 U.S.

618, 629, 85 S. Ct. 1731, 1738, 14 L. Ed.
2d 601, 608 (1965); Cipriano v. City of

Houma, 395 U.S. 701, 706, 89 S. Ct. 1897,
1900, 23 L. Ed. 2d 647, 652 (1969));
accord Wiltshire v. Standard Oil Co., 652

F.2d 837, 840 (9th Cir. 1981), cert.
denied, 455 U.S. 1034 (1982); Singer v.

Flying Tiger Line, 652 F.2d 1349, 1353 (9th Cir. 1981).

Del Costello effectively overrules the case relied on above, Price v. Southern Pacific Transportation Co., 586 F.2d 750, 753 (9th Cir. 1978), which clearly applied a three-year statute of limitations to a discharged employee's suit against a union. Although Justice Stewart's concurrence in Mitchell advocated the limitations period adopted in Del Costello, 451 U.S. at 65-71, 101 S. Ct. at 1565-68, 67 L. Ed. at 792-795, (Stewart J. concurring), it appeared to run counter to the majority in Mitchell

and certainly did not "clearly foreshadow" the Costello decision. We find Edwards could reasonably have relied on Price in filing this action. See Wiltshire, 652 F. 2d at 841; Singer, 652 F.2d at 1353. As to the second criterion, we find that the reasons behind allowing actions against a union for the breach of the duty of fair representation would be disserved by barring suit by an employee when precedent existing at the time of filing permitted it. Huson, 404 U.S. at 107-08, 92 S. Ct. at 355, 30 L. Ed. 2d at 306; Wiltshire, 652 F.2d at 841. The third criterion is also satisfied. As the court stated in Huson, "It would . . . produce the most 'substantial inequitable results' to hold that the respondent 'slept on his rights' at a time when he could not have known the time limitation that the law imposed on him." 404 U.S. at 108, 92 S. Ct. at 356, 30 L. Ed. 2d at 306-07

(quoting Cirpiano v. City of Houma, 395
U.S. 701, 706, 89 S. Ct. 1897, 1900, 23
L. Ed. 2d 647, 652 (1969)); Wiltshire, 652
F.2d at 841-42. This court stated in

Singer: "[A] critical factor is that the
[new] rule . . . is not one which might
have been anticipated." 652 F.2d at 1353.

We find that Edwards was similarly unable
to anticipate the rule in Del Costello,
and accordingly decline to apply that rule
retroactively under the three-part test set
forth in Huson.

CONCLUSION

The dismissal of Edwards' suit against the Union is reversed. The case is remanded for further proceedings on the claims against the Union.

REVERSED AND REMANDED.

FOOTNOTES

- 1/ Because all the relevant events
 occurred in California and all parties are
 based in that state, California statutes
 are the proper source for a limitations
 period. Price v. Southern Pac. Transp. Co.,
 586 F.2d 750, 753 (9th Cir. 1978).
- 2/ In United Parcel Service v. Mitchell, the Court declined to consider the possible applicability of National Labor Relations Act section 10(b)'s six-month period, 29 U.S.C. § 160(b) (1976), because it was not raised by the parties. 451 U.S. at 60 n.2, 101 S. Ct. at 1562 n.2, 67 L. Ed. 2d at 738 n.2. The Union does not argue here that § 10(b) should be applied to bar Edwards' action, and we follow Mitchell in declining to consider the question. The Supreme Court has recently

adopted the six-month period for these suits, <u>Del Costello v. Teamsters</u>, <u>U.S.</u>, 103 S. Ct. 2281, 76 L. Ed. 2d 476 (1983), but we decline to apply that decision retroactively in Part II infra.

3/ The fact that the Union did bring
Edwards' grievance to the Joint Conference
Board distinguishes this case from
Christianson v. Pioneer Sand Gravel Co.,
681 F.2d 577 (9th Cir. 1982). That decision stated that United Parcel Service, Inc.
v. Mitchell does not apply where "the
Union never even processed appellant's
grievances." Id. at 580.

APPENDIX ii

Memorandum Decision
United States District Court
Southern District of California

Lee O. Edwards, Jr.,
Plaintiff,

V.

Teamsters Local Union No. 36,
Building Material & Dump Truck
Drivers, and Asphalt, Inc.,
Defendants.

Civil No. 81-1278-E

Plaintiff was an employee of defendant Asphalt, Inc. and a member of a bargaining unit which is covered by a collective bargaining agreement between Asphalt, Inc. and defendant Teamsters Local 36. Asphalt terminated plaintiff on December 24, 1980. Plaintiff brought his termination to the

union steward as a grievance, as required by the collective bargaining agreement. The agreement provides that the union representative is then required to go to the employer representative and attempt to settle the grievance informally. If the grievance cannot be solved informally it must be referred to the Joint Conference Board for resolution. The bargaining agreement states that the grievance must be presented to the Joint Conference Board within 15 days or it will not be considered. Plaintiff's grievance was brought to the Joint Conference Board on February 9, 1981. The grievance was denied as untimely brought. Plaintiff attempted to get another hearing before the Joint Conference Board on a related matter, but this was also denied as untimely on March 10, 1981. Plaintiff filed this action on December 15, 1981, alleging three causes of action. The first cause is brought under Section 301

of Labor Management Relations Act and charges the local union violated its duty of fair representation in carrying out the above acts. The second and third causes of action are pendent state claims. Defendant Local 36 brought a motion to dismiss or strike, contending: 1) the complaint is barred by the statute of limitations; 2) punitive damages are not available; and 3) attorney's fees are not available. The court, having considered the pleadings and exhibits filed herein, and the arguments advanced at time of hearing, finds the complaint is barred by the applicable statute of limitations and shall therefore dismiss the action. Under such circumstances it is, of course, not necessary to consider the remaining issues.

STATUTE OF LIMITATIONS

The source of jurisdiction for this action is Section 301 of the Labor Management Relations Act, 29 U.S.C. § 185.

Specifically, plaintiff charges that defendant union breached its duty to fairly represent him by failing to process his grievance in a timely fashion. The Supreme Court has long held that the timeliness of a Section 301 suit is to be determined, as a matter of federal law, by reference to the appropriate state statute of limitations. United Parcel Service v. Mitchell, U.S. , 101 S. Ct. 1559 (April 20, 1981); UAW v. Hoosier Cardinal Corporation, 383 U.S. 696 (1966). In Mitchell, the Supreme Court stated that suits involving breach of a union's duty of fair representation shall come under the appropriate statute of limitations for actions to vacate an arbitration award, rather than the longer statute of limitations applied to general contract actions.

Soon after <u>Mitchell</u>, the Ninth Circuit made it clear that this rule would be the law of the Ninth Circuit:

[T]he Supreme Court decided in United Parcel Service v. Mitchell,

U.S. ___, 101 S. Ct. 1559,

67 L.Ed.2d 732 (1981), that a suit against a union and employer could best be characterized as a suit to vacate the arbitration award. Many states have short statutes of limitations applicable to such actions,

U.S. at ____ n.5, 101 S. Ct.

1564 n.5, and California's 100 day limitations period contained in Cal. Civ. Proc. Code §1288 is no exception.

Singer v. Flying Tiger Line Inc., 652 F.2d 1349, 1353 (9th Cir. 1981).

It cannot be contested that the Joint Conference Board is an arbitration procedure and that its final decision must be considered an award. Rather, plaintiff poses two major objections to the application of Mitchell and Singer to this case: First, he argues that this new rule applying the shorter limitations period should not be applied retroactively to his case. Second, he feels that the rationale for the Mitchell decision was that plaintiff in that case had an

opportunity for full arbitration hearings whereas the failure to bring a timely arbitration claim, such as the union has allegedly done here, is more like a "pure" contract violation.

It is true that there had existed Ninth Circuit authority indicating a longer statute of limitations period would be applied to actions of the kind brought by plaintiff. Moreover, it is true that the Singer court did not apply the new rule to the case it reviewed. However, by the time the Mitchell decision was announced, the parties in Singer had filed their complaint, been through summary judgment in the district court, filed their appeal and were awaiting oral argument in the Ninth Circuit. Up to that point both parties in Singer agreed a different statute of limitations was applicable. Under those circumstances the court stated:

In the future, as Mitchell requires, when the action is commenced after an unfavorable arbitral decision, we shall treat suits against a union for breach of the duty of fair representation and against an employer for breach of a collective bargaining agreement under this type of limitations statute. In this case, however, we decline to apply the rule.

Singer, supra, at 1353.

It should be noted that Mitchell was decided on April 20, 1981, more than a month before the shorter, 100 day statute of limitations would have run on plaintiff Edwards in this case. Yet his complaint was not filed until December 15, 1981. The Supreme Court, which could have expressly limited its holding to prospective application, chose not to do so. Under all traditional canons of interpretation the rule of Mitchell should be applied to this case.

Plaintiff's second argument is that Mitchell is not applicable to this case because it involved an action where the plaintiff had a full arbitration proceeding. Plaintiff argues cases where the union fails to even bring about arbitration are more like "pure" contract actions.

Though the Supreme Court did mention the prior opportunity for a full hearing in its rationale, the ruling it reached cannot be given the restrictive reading plaintiff suggests. The Court's opinion noted that characterization of the action as a breach of contract ignores the significance of the fact that the action was brought pursuant to Section 301:

[T]he indispensible predicate for such an action is not a showing under traditional contract law that the discharge was a breach of the collective bargaining agreement, but instead a demonstration that the union breached its duty of fair representation.

Mitchell, supra, at 1562-63.

The narrow reading urged by the plaintiff is not to be found in the Supreme Court's decision. It may also be noted

that the interpretation and rule announced in <u>Singer</u> is not narrow. This court reads the Ninth Circuit to state it will apply the shorter statute of limitations to any such suit commenced after an unfavorable arbitral decision, charging the union with breach of a duty of fair representation. The shorter statute of limitations period found in Cal. Civ. Proc. Code §1288 shall be applied to this case and thus bars the action.

DATED: March 23, 1982.

WILLIAM B. ENRIGHT, Judge
United States District
Court

Copies to:
Plaintiff
Defendants

ORDER

United States District Court
Southern District of California

Lee O. Edwards, Jr.,
Plaintiff,

V.

Teamsters Local Union No. 36,
Building Material & Dump Truck
Drivers, and Asphalt, Inc.,
Defendants.

Civil No. 81-1278-E

Defendants' motion to dismiss or strike portions of the complaint in the above captioned matter was heard on March 22, 1982. The court, having considered the pleadings and exhibits, as well as the arguments advanced at time of hearing, finds the action is barred by the statute of limitations. Cal. Civ. Proc.

Code §1288. Accordingly,

THIS ACTION IS HEREBY DISMISSED.

IT IS SO ORDERED.

DATED: March 23, 1982.

/s/
WILLIAM B. ENRIGHT, Judge
United States District
Court

Copies to:

Plaintiff

Defendants

APPENDIX iii

Labor Management Relations Act, 29 U.S.C. §185

Suits by and against labor organizations.

Venue, amount, and citizenship

between an employer and a labor organization representing employees in an industry affecting commerce as defined in this chapter, or between any such labor organizations, may be brought in any district court of the United States having jurisdiction of the parties, without respect to the amount in controversy or without regard to the citizenship of the parties.

Responsibility for acts of agent; entity for purposes of suit; enforcement of money judgments

(b) Any labor organization which represents employees in an industry affecting commerce as defined in this chapter and any employer whose activities affect commerce as defined in this chapter shall be bound by the acts of its agents. Any such labor organization may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of the United States. Any money judgment against a labor organization in a district court of the United States shall be enforceable only against the organization as an entity and against its assets, and shall not be enforceable against any individual member or his assets.

Jurisdiction

(c) For the purposes of actions and proceedings by or against labor organizations in the district courts of the United States, district courts shall be deemed to have jurisdiction of a labor organization (1) in the district in which such organization maintains its principal office, or (2) in any district in which its duly authorized officers or agents are engaged in representing or

acting for employee members.

Service of process

(d) The service of summons, subpena, or other legal process of any court of the United States upon an officer or agent of a labor organization, in his capacity as such, shall constitute service upon the labor organization.

Determination of question of agency

(e) For the purpodes of this section, in determining whether any person is acting as an "agent" of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

APPENDIX iv

California Civil Procedure \$1288

A petition to confirm an award shall be served and filed not later than four years after the date of service of a signed copy of the award on the petitioner. A petition to vacate an award or to correct an award shall be served and filed not later than 100 days after the date of the service of a signed copy of the award on the petitioner.

APPENDIX V

Stipulation Re Dismissal Of Case as To
Defendant, Asphalt, Inc. and
Order Thereon

United States District Court

For the Southern District of California

Lee O. Edwards, Jr.,

Plaintiff,

VS.

Teamsters Local Union No. 36,
Building Material and Dump
Truck Drivers, and Asphalt Inc.,
Defendants.

No. 81-1278-E(I)

IT IS HEREBY STIPULATED by and between the parties hereto that as to defendant, ASPHALT, INC. the above-captioned action may be dismissed with prejudice.

SO STIPULATED.

Adler and Gniatkowski

Dated: March 4, 1983.

Ву

John S. Adler Attorney for Plaintiff Lee O. Edwards, Jr.

SO STIPULATED.

McDougal, Meloche, Love & Eckis

Dated: March 2, 1983.

By

Attorney(s) for Defendant Asphalt, Inc.

ORDER

IT IS SO ORDERED that the abovecaptioned case be dismissed with prejudice as to defendant, ASPHALT, INC.

Dated: 3/9/83

Hon. WILLIAM B. ENRIGHT, Judge United States District Court Southern District of California

APPENDIX vi

California Civil Procedure §338

Three years; statutory liability; exception; trespass or injury to realty; taking, detaining or injuring goods or chattels; fraud or mistake; bond of public official; notary public; slander of title; false advertising; water quality and hazardous wastes.

Within three years:

An action upon a liability created by statutes, other than a penalty or forfeiture. APPENDIX vii

June 27, 1983

Office of the Clerk

United States Court of Appeals

for the Ninth Circuit

7th and Mission Streets

P.O. Box 547

San Francisco, California 94104

Re: Edwards v. Teamsters

Local 36, etc, et al.

Case No. 82-5326

Dear Sir or Madam:

There is a United States Supreme Court case decided on June 8, 1983 which should be considered in deciding the above-referenced case. In DelCostello v. International Brotherhood of Teamsters, et al,

_US__, 113 LRRM 2737 (1983) the Supreme
Court expressly overruled UPS v. Mitchell,
451 US 56(1981). A copy of that case is enclosed for your reference. Instead of

resorting to an analogous state statute of limitations, the Court held that the six month period in \$10(b) of the NLRB applied in breach of fair representation suits against the union as well as against the employer. Defendant Local 36 respectfully request that the Court consider the DelCostello case in rendering its decision in the present case. It was raised at the trial level that Mr. Edwards' claim was barred by both federal and state statutes of limitation. (CR 2, page 2.)

The Court in DelCostello did not indicate whether its decision was retroactive. However, Singer vs. Flying Tiger Line, Inc., 652 F2d 1349 (9th Cir. 1981) would be helpful in this respect. In Singer this Court held that Mitchell would not be applied retroactively to the plaintiff in the Singer case. The rationale was that since the limitations period under Mitchell was shorter than prior 9th Circuit law, it would be

inequitable to apply the shorter period retroactively, because the plaintiff could have reasonably relied on the longer period

In the present case Defendant Local 36 has argued that Mitchell was decided within a month or two of the dates when the Joint Conference Board rejected Plaintiff Edwards' grievances. Thus, the Singer exception would have no application to Edwards' case. Assuming this Court accepts the argument that Mitchell is controlling, applyiny Del-Costello retroactively would not be prevented by the Singer exception, since the period in DelCostello is longer than in Mitchell. Edwards is barred under the DelCostello case. The Joint Conference Board rejected his grievances on February 9, 1981 and March 10, 1981. [Brief for Defendant/Appellee Local 36, p. 16.] Under DelCostello, Edwards should have filed his complaint no later than September 10, 1981. However, he filed it on December 15, 1981. It is thus

clear that his claim is barred either under the <u>Mitchell</u> decision or under the <u>DelCos</u>tello decision.

I hope I have been helpful in pointing out the DelCostello case. Defendant Local 36 respectfully requests that it be considered by this Court.

If you have any questions in this regard, please feel free to communicate with the undersigned.

Very truly yours, /s/ Richard D. Prochazka

RDP/jww

Enclosure

cc: John S. Adler, Esq. w/encl.

Lynn R. McDougal, Esq. w/encl.

APPENDIX viii

Since the publication of the 9th Circuit's decision in Edwards, Union's counsel had become aware of the profound impact of that decision within the Circuit. Fair representation claims in which there are issues of timeliness are as follows:

(1) Cases pending before the Ninth Circuit:

Alderson v. Crescent Truck Lines, 83-2126

Virginia Aragon v. Federated Dept. Stores, Inc., et al, 83-6455

Richard Gonzalez v. Rohr Industries, Inc., et al., 83-6262 (on Interlocutory Appeal)

Robert Johnson v. MCA, Inc., et al., 82-5693

Nelson Rodriquez v. Union Carbide, et al., 83-2709, 83-2553

Washington, et al v. Northland Marine Co., Inc., et al, 83-3850, 83-3851

Williams v. United Airlines, et al, 83-2426

(2) Cases pending before the District Courts within the Ninth Circuit:

Arci, et al v. Machinists, et al., 82-0340-EFL N.D. Cal.

Bates v. Jamieson Co., et al., C-83-1297-WHO N.D. Cal.

Blandino v. Larkins Bros. Tires, C-82-7080-RPA N.D. Cal. (motion pending)

William E. Craft, et al. v. Sheet Metal Workers International Association, Local 206, et al., 82-0734-T(M) S.D. Cal.

DeAllessi v. KSFO, C-83-4384-SC N.D. Cal.

Ervin Halasz v. Langendorf Bakeries, Inc., et al., CV 82-6602-WMB C.D. Cal.

Haupt v. Local Union No. 24, Bakery Workers, No. Cir. S-83-5632-RHS

John H. Hurtado v. University Mechanical & Engineering Contractors, Inc., et al., 80-1645-E S.D. Cal.

Lopez v. Mission Lines, No. Cir. S-83-360 E.D. Cal.

David Mullendore v. The Dannon Company, et al., CV 83-0573-MML C.D. Cal.

Theodore Nabraski v. Daily Racing Form, Inc., et al, 83-7552-MML C.D. Cal.

Gerald Pounds v. Mathews Ready Mix, Inc., et al, S-82-990-EDP E.D. Cal.

Purcell v. Capitol Delivery, No. Cir. S-81-827-PCW E.D. Cal.

Ben Rameriz v. Cascade National Gas Corp. & Chemical Workers Local 121, C-83-586-RJM E.D. Wa.

Sardinha v. American Home Foods, S-80-96-RAR E.D. Cal.

Daniel A. Walden v. A.T.B. Packing
Co. & Fresh Fruit & Vegetable
Workers, Local P-78-B,
S-81-462-PCW E.D. Cal.

(3) Cases pending before the State Courts within the Ninth Circuit:

> Manuela Recorder Carnero v. Intl. Assoc. of Machinists & Aerospace Workers, et al., No. 806724 Ca. Superior Court, S.F. Ca.

Clintsman v. Bergen-Brunswick Corp., No. 312131 Cal. Sup. Ct., Sac., Ca.

Gregory v. Granny Goose Foods, No. 526204 Cal. Superior Ct., Santa Clara, Ca.

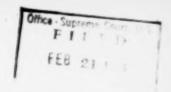
(4) Other:

Ralph R. Hooton, Jr., et al v. Teamsters, Chauffeurs, Warehousemen & Helpers Union Local No. 542, 83-0313-G S.D. Ca.

On November 14, 1983, oral argument was heard on Defendant's Motion to Dismiss Plaintiff's suit as time barred under DelCostello. The Court granted the Motion. Subsequently, however, the District Court learned of the 9th Circuit's decision in Edwards and therefore refused to sign an order until the final disposition of Edwards.

Stephen P. Karo, Jr., et al v. San Diego Symphony Orchestra Association, et al. 83-1161-T S.D. Ca.

Plaintiff Karo's hybrid §301 suit was dismissed on December 21, 1983 due to lack of standing. Plaintiff, however, intends to appeal to the 9th Circuit. Should Plaintiff's appeal be successful, an issue concerning the timeliness of Plaintiff's suit would arise.



No. 83-1211

IN THE SUPREME COURT OF THE UNITED STATES

October Term, 1983

In re TEAMSTERS LOCAL UNION NO. 36, BUILDING MATERIAL AND DUMP TRUCK DRIVERS,

Petitioner,

VS.

LEE O. EDWARDS, JR.,

Respondent.

RESPONSE IN OPPOSITION TO
PETITION FOR A WRIT OF CERTIORARI
To The United States Court Of Appeals
For The Ninth Circuit

BRIEF FOR RESPONDENT

John S. Adler, Esq.
Thomas E. Gniatkowski, Esq. (Member)
ADLER and GNIATKOWSKI, Attorneys
530 "B" Street, Suite 2001
San Diego, CA 92101-4466
Telephone: (619) 231-1212

Counsel for Respondent

COUNTERSTATEMENT OF QUESTIONS PRESENTED FOR REVIEW

- (1) WHETHER THE COURT OF APPEALS ERRED
 IN HOLDING THAT UNITED PARCEL SERVICE V.
 MITCHELL DID NOT ESTABLISH A STATUTE OF
 LIMITATIONS FOR BREACH OF DUTY OF FAIR
 REPRESENTATION CASES BROUGHT BY A UNION
 MEMBER AGAINST HIS/HER LABOR ORGANIZATION.
- (2) WHETHER THE COURT OF APPEALS ERRED
 BY UTILIZING THE FACTORS SET FORTH IN CHEVRON
 OIL CO. V. HUSON TO DETERMINE WHETHER OR NOT
 DELCOSTELLO V. TEAMSTERS WOULD BE GIVEN
 RETROACTIVE EFFECT IN THIS CASE.

TABLE OF CONTENTS

	Page
COUNTERSTATEMENT OF QUESTIONS PRESENTED FOR REVIEW	i
TABLE OF CONTENTS	ii
TABLE OF AUTHORITIES	iii
COUNTERSTATEMENT OF THE FACTS	2
SUMMARY OF ARGUMENT	6
ARGUMENT	
I. THE DECISION BELOW OF THE NINTH CIRCUIT WAS IN TOTAL CONFORMITY WITH THE PRE- DELCOSTELLO DECISIONS OF THE SUPREME COURT	9
II. THE DECISION OF THE NINTH CIRCUIT COURT OF APPEALS REGARDING THE APPLICATION OF MITCHELL TO DUTY OF FAIR REPRESENTATION CASES IS NOT IN DIRECT CONFLICT WITH THAT OF ANY OTHER CIRCUIT ON THE SAME ISSUE; ASSUMING ARGUENDO IT WAS, THE DELCOSTELLO DECISION HAS REMOVED ANY SPECIAL OR IMPORTANT REASON FOR REVIEW OF THIS DECISION.	16
	16
III. THE NINTH CIRCUIT'S DECISION NOT TO RETROACTIVELY APPLY DELCOSTELLO TO THIS CASE IS IN TOTAL CONFORMITY WITH THE DECISIONS OF THIS COURT.	24

		Page
IV.	THERE DOES NOT EXIST AN EXPRESS	
	CONFLICT AMONG THE CIRCUITS AS	
	TO WHETHER DELCOSTELLO SHOULD	
	BE APPLIED RETROACTIVELY	30

TABLE OF AUTHORITIES

Cases	Page
Badon v. General Motors Corp., 679 F. 2d 93 (6th Cir. 1982)	19-23
Bowen v. United States Postal Service, U.S. 103 S. Ct. 588, 74 L. Ed. 2d 402 (1983)	22-23
Chevron Oil Co. v. Huson, 404 U.S. 97, 92 S. Ct. 349, 30 L. Ed. 2d 296 (1971)	7-34
D'Andrea v. American Postal Workers Union, etc., 700 F. 2d 335 (6th Cir. 1983)	21-22
Davidson v. Roadway Express, 650 F. 2d 902 (7th Cir. 1981)	18
DelCostello v. International Brotherhood of Teamsters, U.S. , 103 S. Ct. 2281, 75 L. Ed. 2d 476 (1983)	6-34
District 1199 v. Assad,	24,27
Edwards v. Sea-Land Service, Inc., 678 F. 2d 1276 (5th Cir. 1982)	31
Edwards v. Teamsters Local Union No. 36, 719 F.2d 1036 (9th Cir. 1983)	2-32
Ernst v. Indiana Bell, 717 F.2d 1037 (7th Cir. 1983)	33

Cases	Page
Hand v. International Chemical Workers Union, 712 F.2d 1350 (11th Cir. 1983)	32
Chauffers & Helpers, Inc., 698 F. 2d 250 (6th Cir. 1983)	21
McNaughten v. Dillingham Corp., 707 F.2d 1042 (9th Cir. 1983)	12, 17-18
Metz v. Tootsie Roll Industries, Inc., 715 F.2d 299 (7th Cir. 1983)	32
Muskrat v. United States, 219 U.S. 346, 31 S. Ct. 250, L. Ed. 2d (1911)	26
Perez v. Dana Corporation, 718 F.2d 310 (9th Cir. 1967)	31
Price v. Southern Pacific Transportation Co., 586 F.2d 750 (9th Cir. 1978)	11-12
Sear v. Cadillac Automobile Club of Boston, 654 F. 2d 4 (1st Cir. 1981)	18
Singer v. Flying Tiger Line, Inc., 652 F.2d 1349 (9th Cir. 1981)	12-14
Storck v. International Brotherhood of Teamsters, 712 F.2d 1194 (7th Cir. 1983)	32
Teamsters Local 988 v. Edwards, U.S. 7 103 S. Ct.	24.27

Cases	Page
<u>UAW v. Hoosier Cardinal Corp.,</u> 383 U.S. 696, S. Ct. 1107, 16 L. Ed. 2d 192 (1966)	11, 15-1
United Parcel Service v. Mitchell, 451 U.S. 56, 101 S. Ct. 1559, 67 L. Ed. 2d 732 (1981)	7-34
United Steelworkers of America v. Flowers, U.S., 103 S. Ct. 2281, 75 L. Ed. 2d 476 (1983)	25
Vaca v. Sipes, 386 U.S. 171, 87 S. Ct. 903, 17 L. Ed. 2d 842 (1967)	23
Statutes	
United States Constitution, Article III, Section 2	26
Labor Management Relations Act, 29 U.S.C. Section 185	6-33
National Labor Relations Act, 29 U.S.C. 160(b)	6,25
California Code of Civil Procedure Section 337 Section 338(1)	13 11 6

No. 83-1211

IN THE SUPREME COURT OF THE UNITED STATES

October Term, 1983

In re TEAMSTERS LOCAL UNION NO. 36, BUILDING MATERIAL AND DUMP TRUCK DRIVERS,

Petitioner.

VS.

LEE O. EDWARDS, JR.,

Respondent.

RESPONSE IN OPPOSITION TO
PETITION FOR WRIT OF CERTIORARI
To The United States Court Of Appeals
For The Ninth Circuit

Respondent LEE O. EDWARDS, JR.,

(hereinafter "EDWARDS") herewith responds to
the Petition For Writ Of Certiorari To The
United States Court Of Appeals For The Ninth
Circuit filed by Petitioner BUILDING MATERIAL
AND DUMP TRUCK DRIVERS, TEAMSTERS LOCAL UNION

NO. 36 OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA (hereinafter "LOCAL 36").

Respondent respectfully prays that this
Court deny Petitioner's request to review the
judgment of the United States Court Of
Appeals For The Ninth Circuit in the abovecaptioned case officially reported as Edwards

v. Teamsters Local 36, Building Material &

Dump Truck Drivers, 719 F. 2d 1036 (9th Cir.
1983).

T

COUNTERSTATEMENT OF THE FACTS

Respondent EDWARDS first began working for ASPHALT, INC. in 1972 as a truck driver and was continuously employed until December, 1980, when his employment was terminated.

Throughout the period of time EDWARDS was so employed he was a member of Petitioner LOCAL 36.

In December, 1980, EDWARDS was

attempting to return to work pursuant to medical authorization after having been disabled in May, 1980 with an injury to his back. Another individual had been hired in the interim as a replacement for EDWARDS.

Upon his return to work, EDWARDS was told by the company that they were not going to fire anyone to make room for him and he was discharged from employment.

EDWARDS alleged in his complaint that the true reason for his termination was that he had been a union member unafraid to assert his rights under the collective bargaining agreement particularly as they pertained to safety and seniority. Prior to his termination, EDWARDS was the number two person relative to seniority.

EDWARDS immediately sought assistance from LOCAL 36 to get his job back. He timely filed a grievance alleging improper termination. LOCAL 36, however, failed to

Arbitration Board (hereinafter "Board") for hearing. In a presentation that lasted approximately ten or fifteen seconds, LOCAL 36, by and through a business agent, presented EDWARDS' case to the Board. On February 9, 1981, the grievance was denied by the Board because it had not been referred to the Board by LOCAL 36 within the fifteen day time period established by the collective bargaining agreement. The grievance was stated to be "considered closed".

Thereafter, EDWARDS became aware of an additional basis for a grievance over his discharge and filed another written grievance with LOCAL 36. At the Joint Arbitration Board hearing on this second grievance, the company made a statement on the issue of timeliness; no presentation was made by LOCAL 36 on behalf of EDWARDS. The Board, on March 10, 1981, ruled against EDWARDS again, on the

stated ground that the grievance had not been brought to the attention of the Employer within ten working days of the known occurrence and that the grievance was therefore "waived".

At no time was EDWARDS ever informed of the steps taken by LOCAL 36 to investigate and/or process his grievances.

Under the collective bargaining agreement only LOCAL 36 or ASPHALT, INC. could refer a matter to the Joint Conference Board.

The grievances filed by EDWARDS referenced herein were the first ever filed by him and he had no familiarity with the provisions or processes of the grievance and arbitration procedures.

No decision was ever rendered by the Joint Arbitration Board as to the merits of EDWARDS' grievances.

On December 15, 1981, EDWARDS filed his

complaint in the United States District Court for the Southern District of California.

On March 22, 1982, said Court granted LOCAL 36's motion to dismiss, holding that EDWARDS's claims were barred by California Civil Procedure Code Section 1288.

EDWARDS timely appealed said ruling to the Court of Appeals For The Ninth Circuit. By decision dated November 7, 1983, the Court of Appeals For The Ninth Circuit reversed the District Court's decision and held that EDWARDS's claims were not barred by Section 1288 and would not be barred by the retroactive application of the statute of limitations period contained in 29 U.S.C. Section 160(b) established by this Court in DelCostello v. Teamsters, U.S. ,

II

SUMMARY OF ARGUMENT

Certiorari should be denied. The ruling

Of the Ninth Circuit Court of Appeals that United Parcel Service v. Mitchell did not mandate a statute of limitations for unfair representation cases is in full conformity with this Court's opinion in Mitchell.

No express conflict exists among the circuits as to whether Mitchell should be applied to unfair representation cases for all circuits are following the mandate of this Court to examine the nature and effect of the employee's claim when deciding which limitations period is applicable. Even assuming arguendo that such a conflict exists, this Court's decision in DelCostello v. Teamsters removed any special or important reason to review this decision.

The Ninth Circuit's decision on the retroactive application of <u>DelCostello</u> was in full conformity with this Court's decisions on retroactivity, specifically <u>Chevron Oil</u> <u>Co. v. Huson</u>.

No express conflict exists among the circuits regarding the retroactivity of DelCostello; all circuits that have addressed this issue have utilized the Chevron Oil Co.
V. Huson factors in analyzing the facts of each individual case, as did the Ninth Circuit in the present case.

,,,

///

///

NI

ARGUMENT

I

THE DECISION BELOW OF THE NINTH CIRCUIT WAS IN TOTAL CONFORMITY WITH THE PRE-DELCOSTELLO DECISIONS OF THE SUPREME COURT

Petitioner makes two contentions with respect to their position that the Ninth Circuit's refusal to apply <u>United Parcel</u>

<u>Service, Inc. v. Mitchell</u>, 451 U.S. 56 (1981) to the union is contrary to decisions by this Court.

First, Petitioner argues that this

Court's subsequent decision in <u>DelCostello v.</u>

Teamsters, ______ U. S. _____, 103 S. Ct.

2281 (1983) establishes "that as a matter of national labor policy the same statute of limitations should be applied to both claims against an employer and a union."

Second, Petitioner argues that "the Ninth Circuit's belief that a three year statute of limitations period as to the Union

is 'in no sense inherently too long' is also clearly at odds with DelCostello."

2,2

DelCostello, a decision of this Court which was rendered approximately eighteen months after the present case was filed. Both arguments are therefore based on Petitioner's opinion that DelCostello, and the reasoning set forth therein, should be applied retroactively. For the reasons set forth infra, such an application is not warranted.

Purthermore, with the issuance of the DelCostello decision both points have been established. Neither, therefore, presents a compelling, important issue which would warrant this Court granting certiorari.

In Edwards v. Teamsters Local Union No.

36, 719 F. 2d 1036 (1983), the Ninth Circuit
Court of Appeals held that "(r)etroactive
application of a shorter statute of
limitations than that pertaining when the

case was filed is inherently unfair." Supra at 1040.

In Edwards the Ninth Circuit fully addressed the standards for retroactive application set forth in Chevron Oil Co. v. Huson, 404 U.S. 97, 92 S. Ct. 349 (1971) and declined to apply DelCostello retroactively based on those standards.

In Edwards the Ninth Circuit held that the applicable law at the time that action was filed required that the issue of "timeliness of a Section 301 suit...is to be determined, as a matter of federal law, by reference to the appropriate state statute of limitations." Edwards, supra at 1038, citing UAW v. Hoosier Cardinal Corp., 383 U.S. 696, 704-5, 86 S. Ct. 1107, 1113 (1966).

With a duty of fair representation issue, the applicable pre-DelCostello statute of limitations in California was California Civil Procedure Section 338(1). Price v.

Southern Pacific Transportation Co., 586 F.

2d 750 (9th Cir. 1978). In Price it was
unequivocally established that a suit against
a union for breach of the duty of fair
representation is best characterized as an
action upon a liability created by statute
and the parties therefore had three (3) years
within which to bring such an action. Price,
supra at 753, see also Edwards at 1039, 1040.

Edwards did not however resolve or even discuss the issue relative to breach of collective bargaining agreement claims against an employer, the issue previously addressed by this Court in Mitchell, and a decision which the Ninth Circuit has held to be non-applicable to breach of duty of fair representation cases. Edwards, supra at 1039; see also, McNaughton v. Dillingham Corp., 707 F. 2d 1042, 1047-48 (9th Cir. 1983).

In Singer v. Flying Tiger Line, Inc.,

652 F. 2d 1349 (9th Cir. 1981), the Ninth Circuit held that prior to Mitchell employees had a four-year statute of limitations period within which to bring their Section 301 breach of collective bargaining agreement action against their employer. This was characterized as an action "based upon an alleged breach of a collective bargaining agreement (which) could best be characterized as a suit upon a written agreement" and the Ninth Circuit applied the four-year statute contained in California Code of Civil Procedure, Section 337. Singer, supra at 1353.

In <u>Singer</u>, the Ninth Circuit held that "the rule of the <u>Mitchell</u> case is not one which might have been anticipated" and declined to apply <u>Mitchell</u> retroactively. Singer, supra at 1353.

The rationale adopted by the Ninth Circuit in the present case and in Singer is

sound, logical and fully consistent with all applicable law and precedent.

The decision below strongly re-affirms this Court's Chevron Oil precedent concerning the inherent unfairness of a retroactive application of a shorter statute of limitations to bar an action and is fully consistent with this Court's pre-DelCostello precedents.

With specific respect to Petitioner's

"uniformity" argument, prior to DelCostello

this Court had never ruled or commented on

the need for a uniform statute of

limitations. In fact, as late as the

Mitchell ruling, this Court had never even

ruled or commented on the need for a uniform

statute of limitations for either an action

against an employer under Section 301 or

against a labor organization for breach of

the duty of fair representation, much less a

uniform statute of limitations for both.

The Mitchell decision was applicable only to Section 301 suits against an employer; yet, regardless of the scope of this decision, its effect has now been supplanted by DelCostello. The effect of Mitchell no longer presents a compelling, important issue which would warrant this Court granting certiorari.

With respect to Petitioner's argument regarding the three year statute of limitations which the Ninth Circuit held applicable to pre-DelCostello duty of fair representation cases, Petitioner's position is legally and factually incorrect. It is sufficiently illustrative of EDWARDS's position to note that this Court, in UAW v. Hoosier Cardinal Corp., applied a six-year statute of limitations while expressly holding that such a period is consistent with the proposition that "rapid disposition of labor disputes is a goal of federal labor

law". 383 U.S. at 707, 86 S. Ct. at 1114.

Certiorari should not be granted. The decision below was in full conformity with this Court's pre-DelCostello rulings.

II

THE DECISION OF THE NINTH CIRCUIT COURT OF APPEALS REGARDING THE APPLICATION OF MITCHELL TO DUTY OF FAIR REPRESENTATION CASES IS NOT IN DIRECT CONFLICT WITH THAT OF ANY OTHER CIRCUIT ON THE SAME ISSUE; ASSUMING ARGUENDO IT WAS, THE DELCOSTELLO DECISION HAS REMOVED ANY SPECIAL OR IMPORTANT REASON FOR REVIEW OF THIS DECISION

In essence, Petitioner contends that the decisions of the Court Of Appeals For The Ninth Circuit conflict with the decisions of the Court Of Appeals For The Sixth Circuit concerning the applicability of <u>United Parcel Service v. Mitchell</u> to duty of fair representation cases.

In <u>Mitchell</u> it was expressly stated that this Court was called upon "to determine which state statute of limitations period should be

borrowed and applied to an employees action against his employer under Section 301." 451 U.S. at 58, 101 S. Ct. at 1559.

In the present case below, the Ninth Circuit re-affirmed its prior holding that the Mitchell decision did not resolve the question of how an action against a union should be characterized. In full conformity with precedents of this Court, the Ninth Circuit examined the applicable precedents and found that the appropriate state law statute of limitations for violations of statute was three years.

In its prior decision on this same point, the Court of Appeals agreed with the analysis of Justice Stevens who, in concurring in part and dissenting in part in Mitchell, stated that the claim against the union for unfair representation may not be "characterized as an action to vacate an arbitration award...." 451 U.S. at 73 cited

in McNaughton v. Dillingham, 707 F. 2nd 1042 (9th Cir. 1983).

The Ninth Circuit is not alone in recognizing the limited scope of Mitchell.

See, e.g. Sear v. Cadillac Automobile Club of Boston, 654 F. 2d 4 (1st Cir. 1981); Davidson v. Roadway Express, 650 F. 2d 902 (7th Cir. 1981).

This Court's decision in Mitchell was clearly aimed only at litigation by an employee that sought relief from an employer substantially similar to that which would ordinarily be obtained through the grievance and arbitration machinery typically found in industrial self-government. In applying state statutes of limitation for vacation of arbitration awards this Court realistically held that such a construction was appropriate because "if the employee were now to prevail against the employer on this claim, the necessary effect of the resulting court order

would be to undo the arbitration award." Mitchell, supra at 746.

Both the Courts Of Appeal For The Sixth Circuit and the Ninth Circuit in the present case have followed this analysis, albeit with different results due to different facts.

Specifically, both circuits have clearly recognized that Mitchell required the courts to look to the effect of the employee's successful resolution of the litigation as its guide to the appropriate state statute of limitations.

It follows, therefore, that in <u>Badon v.</u>

<u>General Motors Corporation</u>, 679 F. 2d 93 (6th Cir. 1982), the hybrid 301/unfair representation action was primarily directed towards obtaining an arbitration-type remedy for the employee, namely the pension benefits provided by the national agreement between General Motors and the United Auto Workers.

The Sixth Circuit in Badon succinctly stated

that the purpose of an employee's Section 301 lawsuit "is to set aside a final and binding decision reached pursuant to the terms of a collectively bargained agreement." Supra at 97.

Badon further stated that the same statute of limitations should be applied to the actions against an employer and a union because "damages against the union would be limited to attorneys fees, court costs, travel expenses and other costs incidental to plaintiff's attempts to recover. Lost wages, lost benefits, and punitive damages are not recoverable against a union in an unfair representation action pursuant to Section 301. (citation omitted). It would be contrary to sound judicial policy to encourage actions to recover only the costs of litigation where no underlying right can any longer be vindicated in the action." Supra at 98.

In Lawson v. Truck Drivers, Chauffeurs & Helpers, etc., 698 F. 2d 250 (6th Cir. 1983), the Sixth Circuit followed the Badon decision, although specifically acknowledging that as to the Section 301 action against the employer and the unfair representation action against the union, "as Justice Stevens points out in his concurring opinion in Mitchell, the two causes of action conceptually are based on somewhat different theories...."

In the third Sixth Circuit case cited by Petitioner, <u>D'Andrea v. American Postal</u>

<u>Workers Union, etc.</u>, 700 F. 2d 335 (6th Cir. 1983) the action was against both an employer and a labor organization and principally sought relief for a wrongful discharge.

D'Andrea waited three years after losing the arbitration decision to bring his action. In <u>D'Andrea</u> the Sixth Circuit followed the precedents of <u>Badon</u> and <u>Lawson</u> without any

substantive discussion of the issue.

However, despite these Sixth Circuit decisions, the rationale upon which Badon was based in substantial part has been rendered inaccurate by this Court's decision in Bowen v. United States Postal Service, U.S. , 103 S. Ct. 588 (1983). As set forth above, the Baden decision focused on the virtual unavailability of substantive relief against a union to conclude that the same statute of limitations should apply. Justice Powell, writing for this Court in Bowen, stated: "The union's breach of its duty of fair representation, however, caused the grievance procedure to malfunction resulting in an increase in the employee's damages. Even though both the employer and the union have caused the damage suffered by the employee, the union is responsible for the increase in damages and, as between the two wrongdoers, should bear its portion of the

damages. U.S. at _____, 103 S. Ct. at 595.

The Court held that apportionment of the damages was required by <u>Vaca v. Sipes</u>, 386 U.S. 171, 87 S. Ct. 903 (1967) and ordered entry of judgment against the union for \$30,000.00 of the back pay found due.

The rationale of the Sixth Circuit's 1982 decision in <u>Badon</u> is thus inapplicable and strongly negates the presence of any express conflict between the Sixth Circuit and the Ninth Circuit on the issue in question.

However, if this Court should determine that a conflict does exist, EDWARDS submits that (1) the conflict does not create any special or important reason for review in light of the DelCostello decision which unequivocally stated this Court's ruling as to cases of this nature and (2) that even if a special or important reason for review

existed, it should be a decision of the Sixth Circuit which should be reviewed, for it is that circuit's decision which deviates from the express precedents established by this Court.

Certiorari should be denied.

III

THE NINTH CIRCUIT'S DECISION NOT TO RETROACTIVELY APPLY DELCOSTELLO TO THIS CASE IS IN TOTAL CONFORMITY WITH THE DECISIONS OF THIS COURT

Petitioner argues that the Ninth
Circuit's refusal to apply DelCostello in
this case "is clearly out of step with this
Court's continuing willingness to apply
DelCostello in similar situations."
Appellant cites as alleged support for this
position the DelCostello decision, Teamsters
Local 988 v. Edwards, U.S. , 103
S. Ct. 3104 (1983) and District 1199 v.
Assad, U.S. , 104 S. Ct. 54
(1983).

It is clear from <u>DelCostello</u> that the six month period set forth in 29 U.S.C.

Section 160(b) is now to be the applicable statute of limitations governing suits against both an employer for breach of a collective bargaining agreement and a labor organization for breach of its duty of fair representation.

Petitioner argues that <u>DelCostello</u> and its companion case <u>United Steelworkers v.</u>

Flowers both concerned individuals situated similarly to EDWARDS and therefore this dispute should be resolved in a similar fashion; this point, however, is erroneous on at least three grounds.

First, Petitioner's argument ignores the fact that retroactivity was clearly not argued or decided in <u>DelCostello</u>.

Petitioner's argument on this point is, in essence, that since the Court applied the decision to the parties before them, a

decision on the retroactivity question was thereby made. This Court in rendering such a decision was bound by the "case or controversy" requirements of the Constitution. Pursuant to Article III, Section 2, the judicial power encompasses adjudication, and its final and complete determination and effectuation. It is "the power of a court to decide and pronounce a judgment and carry it into effect between two persons and parties who bring a case before it for decision." Muskrat v. United States, 219 U.S. 346, 356, 31 S. Ct. 250 (1911).

It follows, therefore, that the issue of retroactive application of a decision is a separate and distinct legal issue from the factual decision reached by this Court on the case before it previously.

Second, this Court has addressed both the concept and practical application of retroactivity and has established specific

standards for rendering a determination on the issue of retroactive application of a decision. Those standards are set forth in Chevron Oil Co. v. Huson, 404 U.S. 97, 92 S. Ct. 349, (1971) and were closely followed by the Ninth Circuit. The retroactivity issue, therefore, is one which is guided by clear precedent. The absence of any decision on this point in DelCostello mandates that this Court's previously-established precedent be utilized in determining the issue and this is precisely what the Ninth Circuit did below.

Third, the fact that other cases may have been or will be remanded for further consideration in light of DelCostello, see, e.g. Teamsters Local 988 v. Edwards, and District 1199 v. Assad, is not at all determinative of the alleged implications of DelCostello or the intentions of this Court beyond this Court's intent to allow the Courts of Appeals to use applicable law and

their sound judgment to resolve these issues on a case by case basis. The Ninth Circuit did just that in closely analyzing the Chevron Oil factors and applying them to the facts presented.

In reviewing these factors for the present case the Ninth Circuit found that DelCostello did effectively overrule existing law in the Ninth Circuit by replacing a state statute of limitations with a federal one in fair representation cases. Other circuits may not have had clear law on this point prior to DelCostello, but the Ninth Circuit did.

As to the second factor, Chevron Oil requires that the court "weigh the merits and demerits in each case by looking to the prior history of the rule in question, its purpose and effect, and whether retrospective operation will further or retard its operation." Supra 404 U.S. at 106-7, 92 S. Ct. at 355. The Ninth Circuit considered the

facts of this case and found "that the reasons behind allowing actions against a union for breach of the duty of fair representation would be disserved by barring suit by an employee when precedent existing at the time of filing permitted it."

Edwards, supra at 1040.

The third factor established by Chevron
Oil was also found to have been met; based on
the facts of this case, the Ninth Circuit
quoted from the express language of this
Court in Chevron Oil, namely: "It
would...produce the most 'substantial
inequitable results'....to hold that the
respondent 'slept on his rights' at a time
when he could not have known the time
limitation that the law imposed on him." 404
U.S. at 108, 92 S. Ct. at 356.

The Ninth Circuit below concluded that within its jurisdiction EDWARDS was "unable to anticipate the rule in DelCostello". In

other circuits, another outcome might be warranted based on that circuit's pre-DelCostello rulings in similar cases.

Yet, the Ninth Circuit's reasoning and decision below to not apply <u>DelCostello</u> retroactively was clearly in conformity with this Court's decisions. This Court should not grant certiorari to review this decision.

IV

THERE DOES NOT EXIST AN EXPRESS CONFLICT AMONG THE CIRCUITS AS TO WHETHER DELCOSTELLO SHOULD BE APPLIED RETROACTIVELY

Petitioner's representation that an express conflict exists among the circuits with respect to the issue of the retroactive application of <u>DelCostello</u> is inaccurate.

The decision of the Ninth Circuit Court
Of Appeals on retroactivity in the present
case was based on that Circuit's application
of the factors set forth in Chevron Oil to
the facts of the case before it.

The decision of the Third Circuit Court

Of Appeals on retroactivity in Perez v. Dana

Corp., 718 F. 2d 581 (3d Cir. 1983) was also

based on that Circuit's application of the

factors set forth in Chevron Oil to the facts

of the case before it.

The decision of the Fifth Circuit Court

Of Appeals on retroactivity in Edwards v.

Sea-Land Service, Inc., 678 F. 2d 1276

(5th Cir. 1982) was also based on that

Circuit's application of the factors set

forth in Chevron Oil to the facts of the case
before it.

The differing results is attributable not to any conflict regarding the manner in which the retroactivity of <u>DelCostello</u> is to be decided but is, rather, attributable to distinctions among the Circuits in their pre<u>DelCostello</u> rulings and factual differences in the cases themselves.

Petitioner also attempts to rely on

other circuit court cases where the Court did not address or rule on the issue of retroactivity or the appropriateness of the Chevron Oil factors. See, e.g., Metz v.

Tootsie Roll Industries, Inc., 715 F. 2d 299 (7th Cir. 1983).

Yet, it is clear that with two of these cited cases, Hand v. International Chemical Workers Union, 712 F. 2d 1350 (11th Cir. 1983) and Storck v. Teamsters Local 600, 712 F. 2d 1194 (7th Cir. 1983), the Circuits applied DelCostello retroactively to permit the employee to litigate the case, not to deny him access to the legal system---these results are in full conformity with the Chevron Oil factors for they remedy a result caused by an unduly short limitations period and prevent a substantial injustice. Both of these decisions are in complete conformity with the Ninth Circuit's opinion in the present case which was substantially

predicated on the concept that "retroactive application of a shorter statute of limitations than that pertaining when the case was filed is inherently unfair."

Edwards, supra at 1040.

Finally, Petitioner's cited case of

Ernst v. Indiana Bell, 717 F. 2d 1037 (7th

Cir. 1983) can in no way be considered to

create an express conflict on the issue

before this Court because Ernst related to an action against an employer, an issue clearly

disposed of by this Court in Mitchell.

No express conflict exists among the circuits with regard to the legal precedent governing the issue of the retroactive application of DelCostello to actions brought by an individual against a labor organization for breach of the duty of fair representation. Certiorari should be denied.

///

CONCLUSION

For the reasons set forth herein

Respondent LEE O. EDWARDS, JR., respectfully

prays that this Court deny the petition for

writ of certiorari herein.

Dated: February 17, 1984.

Respectfully submitted,
ADLER and GNIATKOWSKI

JOHN S. ADLER, Esq.

530 "B" Street, Suite 2001 San Diego, CA 92101-4466

THOMAS E. GNIATKOWSKI, Esq. 530 "B" Street, Suite 2001 San Diego, CA 92101-4466

Counsel for Respondent

No. 83-1211

In re TEAMSTERS LOCAL UNION NO. 36, BUILDING MATERIAL AND DUMP TRUCK DRIVERS LEE O. EDWARDS, JR.

AFFIDAVIT OF SERVICE -- SERVICE BY MAIL State of California SS: County of San Diego

I, THOMAS E. GNIATKOWSKI, depose and say that I am an attorney in the office of ADLER and GNIATKOWSKI, attorneys of record for LEE O. EDWARDS, JR., the Respondent herein, and a member of this Court, and that on February 17, 1984, pursuant to Rule 33, Rules of the Supreme Court, I served three (3) copies of the foregoing Response In Opposition To Petition For A Writ Of Certiorari on each of the parties required to be served herein, as 111 111

111

follows:

RICHARD D. PROCHAZKA, Esq. PROCHAZKA, CLINE & FORD 2918 Fifth Avenue, Suite 302 San Diego, CA 92103

LYNN R. McDOUGAL, Esq.
McDOUGAL, MELOUCHE, LOVE & ECKIS
460 N. Magnolia Avenue
El Cajon, CA 92020

All parties required to be served have been served.

Dated: February 17, 1984.

ADLER and GNIATKOWSKI

By /s/ Thomas E. Gniatkowski
THOMAS E. GNIATKOWSKI
Attorney(s) for Respondent
LEE O. EDWARDS, JR.

On February 17, 1984, before me the undersigned, a Notary Public in and for said State, personally appeared THOMAS E.

GNIATKOWSKI, known to me to be the person whose name is subscribed to the within

///

instrument and acknowledged that he executed the same.

WITNESS my hand and official seal.

/s/ Bonnie R. Reiff-Craig Notary Public in and for said State



FILID

MAR 8 1984

ALEXANDER L STEVAS.
CLERK

No. 83-1211

In the

SUPREME COURT OF THE UNITED STATES

October Term, 1983

Teamsters Local Union No. 36, Building Material and Dump Truck Drivers,

Petitioners,

1.5.

Lee O. Edwards, Jr.,

Respondent.

PETITIONER'S REPLY TO RESPONSE
IN OFFOSITION TO PETITION FOR A WRIT OF
CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

RICHARD D. PROCHAZKA
A Professional Corporation
Attorney at Law
2918 Fifth Avenue, Ste 302
San Diego, California 92103
(619) 296-7677
By Richard D. Prochazka
Counsel for Petitioner
Local 36

TABLE OF CONTENTS

TABLE OF CONTENTS	
P	age
Table of Contents	i
Index to Appendices	ii
Table of Authorities	iii
Introduction	1
Argument	2
I.	
The Ninth Circuit Stands Alone	
in its Refusal to Apply Del-	
Costello Retroactively	2
II.	
At the Time Edwards Filed His Suit,	
The Ninth Circuit Applied Mitchel	1
to Both the Employer and the	
Union	5
III.	
The Edwards Decision Continues	
to Have a Profound Impact Within	
	9
IV.	
	10

INDEX TO APPENDICES

	Page
Appendix i. Cases	Within the Ninth
Circuit Affected	d by the Edwards
Decision	1

TABLE OF AUTHORITIES

TABLE OF AUTHORITIES
Cases
Chevron Oil v. Huson, 404 US 97(1971)
DelCostello v. Teamsters, _US_103 S.Ct.2281(1983) 2,3,4,5, 7,8
Lincoln v. Machinists' District 9, 723 F2d 627(8th Cir.1983) 3
McNaughton v. Dillingham Corp., 707 F2d 1042(9th Cir.1983) 6
Murray v. Branch Motor Express Co., F2d (4th Cir.1983) 115 LRRM 21833
Price v. Southern Pacific Trans- portation Company, 586 F2d 750(9th Cir.1978) 5
Singer v. Flying Tiger Lines, Inc., 652 F2d 1349(1981) 5,6,7,8
United Parcel Service, Inc. v. Mitchell, 451 US 56(1981)
Williams v. United Airlines, et al, 553 F.Supp.863(N.D. Ca.1982) 6
STATUTES
Labor-Management Relations Act, 29 USC 160(b)7
29 USC 185 6,8

TABLE OF AUTHORITIES -- Continued

OTHER	Page
California Code of Civil Procedure, \$338(1)(West's 1982)	5
\$1288 (West's 1982)	

No. 83-1211

In the

SUPREME COURT OF THE UNITED STATES

October Term, 1983

Teamsters Local Union No. 36, Building Material and Dump Truck Drivers,

Petitioners,

VS.

Lee O. Edwards, Jr.,

Respondent.

PETITIONER'S REPLY TO RESPONSE
IN OFPOSITION TO PETITION FOR A WRIT OF
CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

INTRODUCTION

A Petition for a Writ of Certiorari submitted by Teamsters Local Union No. 36, Building Material and Dump Truck Drivers, hereafter "Union", was docketed in this Honorable Court on January 23, 1984. Thereafter, Respondent Lee O. Edwards, Jr. timely filed a response in opposition to said Petition. The Union presently replies.

Reply, the Union's discussion set forth below will necessarily be limited in scope. However, this is not to be construed as an acknowledgment by the Union that Edwards' Response, or any part thereof, has merit. To the contrary, the Union believes that Edwards' Opposition Brief fails to rebut the arguments set forth in the Union's Petition and therefore Certiorari should issue to review the decision below.

ARGUMENT

T

THE NINTH CIRCUIT STANDS ALONE IN ITS REFUSAL TO APPLY DELCOSTELLO RETROACTIVELY

In its Petition, the Union discussed the express conflict among the circuits as to whether <u>DelCostello</u> should be applied retroactively. UP 20-23¹ Since filing its Petition, the Union has learned of two other circuits which have ruled on the issue as to whether <u>DelCostello</u> should be applied retroactively. Both circuits answered in the affirmative.

The Fourth Circuit applied <u>Del-</u>

<u>Costello</u> retroactively to a complaint

filed twenty-nine months after the issuance
of the adverse arbitration award dated

[&]quot;"UP" refers to Union's Petition for Writ of Certiorari.

[&]quot;EO" refers to Edward's Response in Opposition to Petition for Writ of Certiorari.

April 22, 1976. Murray v. Branch Motor

Express Company, F2d (4th Cir.1983);

115 LRRM 2183.

The Eighth Circuit, after explicitly reviewing the factors in Chevron Oil v.

Huson, 404 US 97(1971) and further noting that it "appears that the Supreme Court applied the DelCostello decision retroactively to DelCostello and to Flowers", held that DelCostello should be retroactively applied to an employee whose claim arose in January 1981 but failed to file suit until nearly a year later. Lincoln v.

Machinists' District 9, 723 F2d 627(8th Cir.1983), 630.

To date, eight circuits have dealt with the issue as to whether <u>Del-</u>

<u>Costello</u> should be applied retroactively.

Seven circuits have answered in the affirmative. The Ninth Circuit stands alone in its refusal to apply <u>DelCostello</u> retroactively. The Ninth Circuit's position is in conflict with the vast majority of the Circuits.

For decisions of other circuits, see UP 20-22.

II

AT THE TIME EDWARDS FILED

HIS SUIT, THE NINTH CIRCUIT

APPLIED MITCHELL TO BOTH THE

EMPLOYER AND THE UNION

Citing Price v. Southern Pacific

Transportation Company, 586 F2d 750(9th Cir. 1978), Edwards contends that "with a duty of fair representation issue, the applicable pre-DelCostello statute of limitations in California was California Civil Procedure Section 338(1)", a three year statute. EO 11-12. This is a misstatement of Ninth Circuit law as applied in California.

On August 13, 1981, the Ninth Circuit held that it would prospectively apply Mitchell to both the employer and the union. Singer v. Flying Tiger Line, Inc., 652 F2d 1349(1981). See also:

UP 16, footnote 9. Singer was viable

caselaw until it was reversed by the Ninth Circuit in McNaughton v. Dillingham Corp., 707 F2d 1042 (9th Cir.1983). According to McNaughton, the Singer ruling was based on the "erroneous assumption" that the union as well as the employer was a petitioner in Mitchell. Id. 1047, footnote 6. Thus, in the period between the Singer decision and the McNaughton decision Singer was the law of the Ninth Circuit. Pursuant to Singer, the applicable California statute of limitations was California Code of Civil Procedure Section 1288, a one-hundred day limitations period within which to file an action to vacate an arbitration award. See: Williams v. United Airlines, et al, 553 F. Supp. 863 (N.D. Ca. 1982), pursuant to Singer, plaintiff's hybrid Section 301 action held untimely under California Code of Civil Procedure Section 1288.

The assertion in Edwards' opposition

brief that prior to <u>DelCostello</u> the applicable California statute of limitations in a duty of fair representation suit was three years, allows Edwards to further argue that in the present matter the Ninth Circuit correctly refused to apply <u>DelCostello</u> retroactively so as to avoid a sudden shift from a three year limitations period to the much shorter six month limitations period under 10(b) of the Labor-Management Relations Act. EO 14-32.

However, as discussed above, pursuant to <u>Singer</u>, the applicable California statute of limitations in reference to a duty of fair representation claim was 100 days. Thus, contrary to Edwards' assertion, retroactive application of <u>DelCostello</u> would significantly <u>lengthen</u> rather than shorten the time in which plaintiff could file his claim.

Mitchell was decided in April 1981.

Singer was decided in August 1981. Despite these two decisions, Edwards did not file suit until December, 1981, nearly ten months after his grievance arose and four months after the Singer decision.

In conclusion, <u>Singer</u> was the applicable law at the time Edwards filed suit. In accordance with <u>Singer</u>, the 100 day California statute for vacating an arbitration award was the limitations period in which a plaintiff could timely file a hybrid Section 301 suit. Retroactive application of <u>DelCostello</u> would have expanded, not truncated, the limitations period to six months.

III

THE EDWARDS DECISION

CONTINUES TO HAVE A

PROFOUND IMPACT WITHIN

THE NINTH CIRCUIT

In its Petition, the Union listed numerous cases in which the Ninth Circuit's decision in the present matter would be felt. UP 42-45. Since the filing of its Petition, the Union has learned of yet more cases which would be affected by the Ninth Circuit's decision in Edwards. See: Appendix i.

CONCLUSION

For the reasons set forth above and in the Union's Petition, the Union respectfully requests that Certiorari issue to review the decision below.

Respectfully submitted,

RICHARD D. PROCHAZKA

Attorney for Building Material and Dump Truck Drivers, Teamsters Local Union No. 36 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America.

APPENDICES

APPENDIX i

(1) Cases pending before the Ninth Circuit:

Daunais v. Teamsters Local No. 2707 and Western Airlines, 83-4039

Felden v. Hamilton, et al, 83-4224

Glover, et al v. United Grocers, Inc., et al, 83-4202

Hass v. Darigold Dairy Prod. Co. and Teamsters Local Union No. 66, et al., No. 83-4231

Wilhite v. Greyhound Lines, et al, 83-4212

(2) Cases pending before the District Courts within the Ninth Circuit:

Cunningham v. United Steelworkers of America Local 329, C82-546-RJM E.D. Wash.